
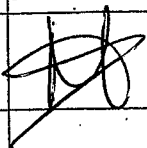
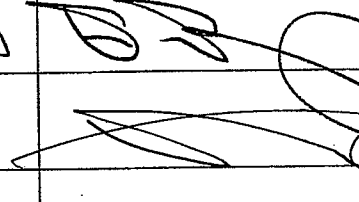


EXHIBIT A

To the Affidavit of Nick Abraczinskas

Holtec International

Employee Handbook^{*}

Date	Rev. #	Prepared by	Approved by
2/24/04	1	Christina Robbins	
3/3/09	2		
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^{*} This document is also referred to as the Employee Manual.

Welcome to Holtec International

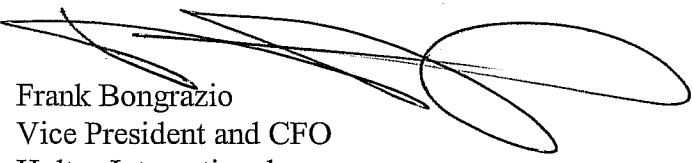
Thank you for joining Holtec International. We hope you agree that you will find your employment at Holtec International to be a professionally rewarding experience. We look forward to the opportunity of working together to create an even more successful company. We also want to insure that your employment with Holtec International will be a mutually beneficial and gratifying one.

You have joined an organization that has established an outstanding international reputation for quality. Credit for this goes to everyone in the organization. We hope you, too, will find satisfaction and take pride in your work here. As a member of Holtec International's team, you will be expected to contribute your talents and energies to the fullest extent to further improve the environment and quality of the company.

This Employee Manual may provide answers to most of the questions you may have about Holtec International's benefit programs, as well as company policies and procedures. It is necessary that you read and understand this Employee Manual. If anything is unclear, please discuss the matter with your supervisor or with the undersigned.

I extend to you my personal best wishes for your professional success and happiness at Holtec International.

By:



Frank Bongrazio
Vice President and CFO
Holtec International

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Preface

This manual applies to all direct employees; it does not apply to the employees of the company's subsidiary or contractors and agents.

This manual is not intended to create a contract between Holtec International and any of its employees. All employees are employed as "at-will" employees. "At-will" employment means that either the employee or Holtec International may terminate the employment relationship at any time, with or without notice, and with or without cause.

This manual remains the property of Holtec International and if you are in possession of a hard copy, it must be returned to the company's CFO at the end of your employment.

Other company policies such as the travel policy, purchase order policy, and others are contained in separate documents and can be accessed on the computer network under the Administration directory.

This manual can be accessed on the company's computer network under the Administration directory. Revisions to this manual are made periodically to incorporate changes. The latest revision is posted on the computer network under the Administration directory.

The employment of all Holtec personnel is governed by the latest revision of this manual. Every Holtec associate is urged to familiarize himself (herself) with this document because it bears upon virtually all aspects of an employee's rights and obligations with respect to the company.

AN OVERVIEW OF HOLTEC INTERNATIONAL

About Holtec International

Holtec International was founded in 1986, bringing the widely acknowledged skills of its staff in heat transfer, structural/seismic, mechanical and nuclear design and analysis to markets receptive to innovation through the use of advances in analysis methods and systems engineering.

Holtec International is a diversified supplier of engineering products and services to power plants and general industry worldwide.

Our philosophy is to use our technical edge to dominate our markets, a belief that keeps us a generation ahead in the engineered products and services we provide our customers.

We believe that technological advances should be shared within the community of engineering professionals, and our experts are widely published.

Holtec International will continue to invent new technologies and develop novel applications, to fulfill its commitment to its colleagues worldwide and to stress market leadership through technical innovation.

Quality Assurance

As early as 1986, Holtec International recognized the impending QA crisis in the manufacturing sector of the nuclear industry and made the fateful decision to develop a QA formalism to extend the company's Appendix B program to competent manufacturing organizations. A generic Project Plan complemented by a set of Holtec Quality Procedures, Holtec Standard Procedures, and procurement specifications and certification criteria, was prepared by the company to implement the QA program extension. Holtec's pro-active approach initiated in 1986 to merge the company's state-of-the-art QA program to a fabricator's proven technical expertise enabled Holtec to offer turnkey rerack services (engineering, licensing, manufacturing, and site construction services) worldwide with certain carefully selected specialty manufacturers serving as safety equipment fabricators. This QA extension program, now ten years old, has continued to march forward in tandem with the rise of the QA technologies in our industry. Scores of different specialty hardware components with large engineering contents have been delivered to nuclear power plants around the world under Holtec's QA extension program.

What Holtec International Expects From You

Holtec International needs your help in making each working day enjoyable and rewarding. Your first responsibility is to know your own duties and how to perform them promptly, correctly and pleasantly. Secondly, you are expected to cooperate with management and your fellow employees and to maintain a good team attitude.

How you interact with fellow employees and those whom Holtec International serves, and how you accept direction can affect the success of your department. In turn, the performance of one department can impact the entire service offered by Holtec International. Consequently, whatever your position, you have an important assignment: perform every task to the very best of your ability.

You are encouraged to grasp opportunities for personal development offered to you. This manual offers insight on how you can perform positively and to the best of your ability to meet and exceed Holtec International expectations.

We strongly believe you should have the right to make your own choices in matters that concern and control your life. We believe in direct access to management. We are dedicated to making Holtec International a company where you can approach your manager, or any member of management, to discuss any problem or question. We expect you to voice your opinions and contribute your suggestions to improve the quality of Holtec International. (Please take a look at the "Suggestions," Policy under Standards of Conduct section.) We're all human, so please communicate with each other and with management.

Remember, you help create the pleasant and safe working conditions that Holtec International intends for you. The result will be better performance for the company overall, and personal satisfaction for you.

Open Communication Policy

Holtec International encourages you to discuss any issue you may have with a co-worker directly with that person. If a resolution is not reached, please arrange a meeting with your manager to discuss any concern, problem, or issue that arises during the course of your employment. Retaliation against any employee for appropriate usage of Open Communication channels will not be tolerated.

Outside Employment

Employees may not take an outside job, either for pay or as a donation of her/his personal time, with a customer or competitor of Holtec International; nor may they do work on their own if it competes in any way with the sales of products or services we provide our customers. If your financial situation requires you to hold a second job, part-time or full-time, or if you intend to engage in a business enterprise of your own, Holtec International would like to know about it. Before accepting any outside employment you are encouraged to discuss the matter with your manager.

Suggestions

We encourage all employees to bring forward their suggestions and good ideas about how our company can be made a better place to work, our products improved, and our service to customers enhanced. When you see an opportunity for improvement, please talk it over with your

manager. She/he can help you bring your idea to the attention of the people in the company who will be responsible for possibly implementing it.

All suggestions are valued and listened to. When a suggestion from an employee has particular merit, we provide for special recognition of the individual(s) who had the idea.

Redress for Unfair Treatment

In the event you believe that you have been subject to an unfair or discourteous treatment (including any form of harassment, retaliation, etc.), we urge you to contact the Senior Vice President, Dr. Stanley Turner, immediately. We urge that you communicate by telephone *and* email (or mail) to ensure that your communication is not ignored.

EMPLOYMENT

Employment-at-Will

Employment at Holtec International may be terminated for any reason, with or without cause or notice, at any time by the Employee or the Employer. Nothing in this Employee Handbook or in any oral or written statement shall limit the right to terminate employment at will. No Supervisor or Employee of the Employer shall have any authority to enter into an employment agreement – express or implied – with any Employee providing for employment other than at-will.

This policy of at-will employment is the sole and entire agreement between you and the Employer as to the duration of employment and the circumstances under which employment may be terminated.

With the exception of employment at will, terms and conditions of employment with the Employer may be modified at the sole discretion of the Employer with or without cause or notice at any time. No implied contract concerning any employment-related decision or term or condition of employment can be established by any other statement, conduct, policy, or practice. Examples of the types of terms and conditions of employment that are within the sole discretion of the Employer include, but are not limited to, the following: promotion; demotion; transfers; hiring decisions; compensation; benefits; qualifications; discipline; layoff or recall; rules; hours and schedules; work assignments; job duties and responsibilities; production standards; subcontracting; reduction, cessation, or expansion of operations; sale, relocation, merger, or consolidation of operations; determinations concerning the use of equipment, methods, or facilities; or any other terms and conditions that the Employer may determine to be necessary for the safe, efficient, and economic operation of its business.

Confidential Information

The Company acquires and develops certain proprietary products and processes that are not generally known in the industry. Keeping such information from competitors plays an important part in our success. The Company protects confidential and proprietary information by restricting employee and visitor access to certain designated Company areas and documents to only those who have business reasons.

All employees are asked to agree to keep the Company's confidential and proprietary information secure by signing our employee agreement at the beginning of employment.

It is the policy of the Company that the knowledge and information acquired by you concerning the Company's business plans, software, formatting, programs, client prospects, client lists, supplier and vendor lists and information, client contacts, client information, client data, marketing plans, data processing systems and information contained therein, product and other designs, proposals to clients and potential clients, reports, plans, studies, price lists, financial statements, catalogs, and other trade secrets, inventions, designs, know-how, or other private, confidential or proprietary information of or about The Company which is not already available to the public (collectively, "Company confidential information") are valuable, special and unique

aspects of the Company's business. Such Company confidential information would not be provided to you by the Company in the absence of your agreement to maintain such information in confidence because of the risks that valuable Company confidential information might otherwise be divulged and thereby damage the Company's competitive position in the marketplace.

You may not, during or after your employment with the Company, (i) disclose, in whole or part, any Company confidential information to any person, firm, corporation, association or other entity for any reason or purpose whatsoever unless authorized in writing to do so by the Company, or (ii) use any Company confidential information for your own purpose or for the benefit of any person, firm, corporation, association or other entity other than the Company; except in the proper performance of your duties as instructed by the Company. After the term of your employment, the restrictions set forth in this paragraph will not apply to confidential information which is then in the public domain (unless you are responsible, directly or indirectly, for such Company confidential information entering the public domain without the Company's consent).

If you are questioned by someone outside the company or your department and you are concerned about the appropriateness of giving them certain information, you are not required to answer. Instead, as politely as possible, refer the request to your manager.

No one is permitted to remove or make copies of any Holtec International records, reports or documents without prior management approval.

Customer Relations

The success of Holtec International depends upon the quality of the relationships between Holtec International, our employees, customers, suppliers and the general public. Our customers' impression of Holtec International and their interest and willingness to purchase from us is greatly formed by the people who serve them. In a sense, regardless of your position, you are Holtec International's ambassador. The more goodwill you promote, the more our customers will respect and appreciate you, Holtec International and Holtec International's products and services.

Below are several things you can do to help give customers a good impression of Holtec International. These are the building blocks for our continued success.

1. Act competently and deal with customers in a courteous and respectful manner.
2. Communicate pleasantly and respectfully with other employees at all times.
3. Follow up on orders and questions promptly, provide businesslike replies to inquiries and requests, and perform all duties in an orderly manner.
4. Take great pride in your work and enjoy doing your very best.

These policies apply to all areas of employment, including recruitment, hiring, training and development, promotion, transfer, termination, layoff, compensation benefits, social and recreational programs, and all other conditions and privileges of employment in accordance with applicable federal, state, and local laws.

Equal Employment Opportunity Employer

Holtec International is an equal employment opportunity employer and strives to comply with all applicable laws prohibiting discrimination based on race, color, religion, sex, age, national origin, or ancestry, physical or mental disability, veteran status, familial status, and any other basis protected by federal, state, or local laws. All such discrimination is unlawful and all persons involved in the operations of the Employer are prohibited from engaging in this type of conduct.

In accordance with applicable federal and state law protecting qualified individuals with known disabilities, the Employer will attempt to reasonably accommodate those individuals unless doing so would create an undue hardship on the Employer. Any qualified applicant or Employee with a disability who requires an accommodation in order to perform the essential functions of the job should contact the President and request an accommodation.

You should report every instance of unlawful discrimination or harassment to your Supervisor or the President of the Employer, regardless of whether you or someone else is the subject of the discrimination. Detailed reports – including names, descriptions, and actual events or statements made – will greatly enhance the Employer's ability to investigate. Any documents supporting the allegations should also be submitted. Based on your report, the Employer will conduct an investigation. The Employer prohibits any and all retaliation for submitting a report of unlawful discrimination and for cooperating in any investigation. Any Supervisor or Employee who retaliates against the accuser or those involved in the investigation will be disciplined, up to and including discharge from employment.

If the investigation determines that prohibited discrimination or other conduct that violates Employer policy has occurred, the Employer will take disciplinary action, up to and including termination of employment, against those who engaged in the misconduct. The Employer will also evaluate whether other employment practices should be added or modified in order to deter and prevent that conduct in the future. You will be informed of whatever action(s) the Employer takes to resolve and remedy the situation.

Affirmative Action Policy

In our efforts to develop our affirmative action program, we hereby reaffirm and formalize our commitment to the principle of equal employment opportunity.

Holtec International's policy is to ensure equal employment opportunities for all without regard to race, color, religion, sex, national origin, age, disability, veteran status or any other non job-related characteristic. While this document cannot be considered an employment contract between the company and its employees, we view the principal of equal employment opportunity as a vital element in the employment process and as a hallmark of good management.

In developing our affirmative action program, we commit ourselves to:

- Recruiting, hiring, training, and promoting persons in all job classifications without regard to race, color, religion, sex, national origin, disability, veteran status, or any other non-job related characteristic.
- Ensuring that promotion decisions are in accord with equal employment opportunity requirements by imposing only valid, job-related requirements for promotional opportunities.
- Ensuring that all personnel actions relating to compensation, benefits, transfers, terminations, training, and education are administered in a nondiscriminatory manner.

In developing an Affirmative Action Plan, we have established goals and timetables to correct any deficiencies over a reasonable period of time.

It is our desire that the combination of measurable goals and directed effort will make equal employment opportunity a fact at this facility. We pledge every good-faith effort to achieve our established goals and have assigned various levels of responsibility to both direct and oversee our affirmative action efforts.

Holtec International's President has the ultimate responsibility for ensuring that equal employment opportunity and affirmative action receive the high level of priority that is due this activity.

Holtec International's Human Resources Manager has been designated the Equal Employment Opportunity Officer of the company and has the full support of the President in carrying out these rules. The EEO Officer will be responsible for communicating and implementing this policy to all departments of Holtec. Each manager and supervisor is responsible for the prompt execution of necessary, preventative, corrective and affirmative actions.

Harassment Policy

A. OPEN-DOOR POLICY

Holtec recognizes that Employees will have suggestions for improving the workplace, as well as complaints about the workplace. The most satisfactory solution to a job-related problem or concern is usually reached through a prompt discussion with your Supervisor. Please feel free to contact your Supervisor with any suggestions and/or complaints.

If you are not satisfied with your Supervisor's response, please submit your complaint or suggestion in writing to the Vice President, Dr. Stanley Turner, who will review your written submission and provide you with a final resolution.

While the Employer provides you with this opportunity to communicate your views, please understand that not every complaint can be resolved to your satisfaction. Even so, Holtec

believes that open communication is essential to a successful work environment and all Employees should feel free to raise issues of concern without fear of reprisal.

B. UNLAWFUL HARASSMENT

In accordance with applicable law, Holtec prohibits unlawful harassment and harassment because of sex, race, color, national origin, ancestry, religion, physical or mental disability, veteran status, familial status, age, or any other basis protected by federal, state, or local law. Any such harassment may violate the law and will not be tolerated.

1. Sexual Harassment Defined

Applicable state and federal law defines sexual harassment as unwanted sexual advances, requests for sexual favors, or visual, verbal, or physical conduct of a sexual nature when: (1) submission to the conduct is made a term or condition of employment; or (2) submission to or rejection of the conduct is used as basis for employment decisions affecting the individual; or (3) the conduct has the purpose or effect of unreasonably interfering with the Employee's work performance or creating an intimidating, hostile, or offensive working environment. This definition includes many forms of offensive behavior. The following is a partial list:

- a. Unwanted sexual advances;
- b. Offering employment benefits in exchange for sexual favors;
- c. Making or threatening reprisals after a negative response to sexual advances;
- d. Visual conduct such as leering, making sexual gestures, or displaying sexually suggestive objects, pictures, cartoons, or posters;
- e. Verbal conduct such as making or using derogatory comments, epithets, slurs, sexually explicit jokes, or comments about any Employee's body or dress;
- f. Verbal sexual advances or propositions;
- g. Verbal abuse of a sexual nature, graphic verbal commentary about an individual's body, sexually degrading words to describe an individual, or suggestive or obscene letters, notes, or invitations.
- h. Physical conduct such as touching, assault, or impeding or blocking movements; and
- i. Retaliation for reporting harassment or threatening to report harassment.

It is unlawful for males to sexually harass females or other males, and for females to sexually harass males or other females. Sexual harassment on the job is unlawful whether it involves coworker harassment, harassment by a Supervisor, or harassment by persons doing business with or for the Employer.

2. Other Types of Harassment

Prohibited harassment on the basis of race, color, national origin, ancestry, religion, physical, or mental disability, veteran status, familial status, age, or any other protected basis, includes behavior similar to sexual harassment, such as:

- a. Verbal conduct such as threats, epithets, derogatory comments, or slurs;
- b. Visual conduct such as derogatory posters, photographs, cartoons, drawings, or gestures;

- c. Physical conduct such as assault, unwanted touching, or blocking normal movement, and
- d. Retaliation for reporting harassment or threatening to report harassment.

Procedures

All Company employees are responsible for helping to assure that we avoid harassment. If you feel that you have experienced or witnessed harassment, you are to notify the personnel department immediately. The Company forbids retaliation against anyone who complains of harassment or provides information in connection with any such complaint.

The Company's policy is to investigate all such complaints thoroughly and promptly. To the fullest extent practicable, the Company will keep complaints and the terms of their resolution confidential. If an investigation confirms that harassment has occurred, the Company will take corrective action, including such discipline up to and including immediate termination of employment, as is appropriate.

Holtec International accepts no liability for harassment of one employee by another employee. The individual who makes unwelcome advances, threatens or in any way harasses another employee is personally liable for such actions and their consequences. Holtec International may or may not provide legal, financial or any other assistance to an individual accused of harassment if a legal complaint is filed.

Standards of Conduct

Whenever people gather together to achieve goals, some rules of conduct are needed to help everyone work together efficiently, effectively, and harmoniously. By accepting employment with us, you have a responsibility to Holtec International and to your fellow employees to adhere to certain rules of behavior and conduct. The purpose of these rules is not to restrict your rights, but rather to be certain that you understand what conduct is expected and necessary. When each person is aware that she/he can fully depend upon fellow workers to follow the rules of conduct, our organization will remain a better place to work for everyone.

Introductory Period (Probationary)

Your first one year of employment at Holtec International is considered an Introductory Period (Probationary), and during that period you will not be eligible for benefits described in this Employee Manual unless otherwise required by law. This Introductory Period will be a time for getting to know your fellow employees, your manager and the tasks involved in your job position, as well as becoming familiar with Holtec International's products and services. Your manager will work closely with you to help you understand the needs and processes of your job.

This Introductory Period is a "getting acquainted" time for both you, as an employee, and Holtec International, as an employer. During this Introductory Period, Holtec International will evaluate your suitability for continued employment, and you can evaluate Holtec International as well. Please understand, however, that completion of the Introductory Period does not guarantee

continued employment, as employment is always at-will. You are free to terminate your employment at any time, with or without reason, and Holtec International may choose to terminate your employment at any time, with or without reason.

At the end of the Introductory Period, your manager will discuss your job performance with you. This review will be similar to the job performance review that is held for regular full-time employees on an annual basis.

A former employee who has been rehired after a separation from Holtec International of more than one (1) year is considered an introductory employee during their first sixty (60) days following rehire.

Background Checks

Holtec recognizes the importance of maintaining a safe workplace with Employees who are honest, trustworthy, qualified, reliable, and nonviolent, and do not present a risk of serious harm to their coworkers or others. For purposes of furthering these concerns and interests, the Employer reserves the right to investigate an individual's prior employment history, personal references, and educational background, as well as other relevant information that is reasonably available to the Employer. Holtec may review an applicant's or an Employee's credit report and criminal background, if any. In the event that a consumer report is obtained, the Company will comply with the federal Fair Credit Reporting act and applicable state laws, including providing the job applicant or Employee with any required notices and forms. Consistent with these practices, job applicants or Employees may be asked to sign certain authorization and release forms. Consistent with legal requirements, Holtec reserves the right to require job applicants or Employees to sign the forms as requested as a condition of employment.

Hiring Relatives

A familial relationship among Employees can create an actual or at least a potential conflict of interest in the employment setting, especially where one relative supervises another relative. To avoid this problem, Holtec may refuse to hire or place a relative in a position where the potential for favoritism or conflict exists.

For the purposes of this policy, a relative is any person who is related by blood or marriage, or whose relationship with the Employee is similar to that of persons who are related by blood or marriage.

Anniversary Date

The first day you report to work is your "official" anniversary date. Your anniversary date is used to compute various conditions and benefits described in this Employee Manual.

Immigration Law Compliance

All offers of employment are contingent on verification of your right to work in the United States.

New Employee Orientation

On your first working day, you will be asked to complete employment paperwork. Depending on your department's workload, your manager will introduce you to your co-workers and office layout. Please feel free to ask your colleagues any questions not answered during your orientation.

Work Schedule

Business Hours

Our regular hours are from 8:30 a.m. to 5:30 PM (Monday through Friday).

Your particular hours of work and the scheduling of your meal period will be determined and assigned by your manager.

At times, emergencies such as power failures, road closings, or severe weather may interfere with the Employer's operations. In such an event, the Employer may order a temporary shutdown of part or all of its operations. Depending on the circumstances, time off may or may not be paid.

Attendance

Holtec International would like you to be ready to work at the beginning of your assigned daily work hours, and to reasonably complete your projects by the end of your assigned work hours. Please let your manager know if you will be away from your workstation for an extended period of time and when you expect to return.

Absence or Lateness

From time to time, it may be necessary for you to be absent from work. Holtec International is aware that emergencies, illnesses, or pressing personal business that cannot be scheduled outside your work hours may arise. Sick days vacation and floating holidays have been provided for this purpose.

If you are unable to report to work, or if you will arrive late, please contact your manager immediately. If you know in advance that you will need to be absent, please request this time off directly from your manager.

When you call in to inform Holtec International of an unexpected absence or late arrival, simply ask for your manager. If you're arriving to work late, please let your manager know when you expect to arrive for work. If you are unable to call in yourself because of an illness, emergency or for some other reason, be sure to have someone call for you.

Severe Weather and Emergency Conditions

In the event of severe weather conditions or other emergencies, the President or designated company representative may decide to close Holtec International for the remainder of the day. As such, you will be notified as soon as possible by designated company representative. No loss of pay will occur as a result of early dismissal for this reason. Likewise, if you report to work and find that Holtec International is unexpectedly closed due to an emergency, no loss of pay will occur.

Any employee who was on a previously approved leave day during a declared emergency shall not be charged leave for the emergency period, except in the case of early dismissal for less than one-half day. For example: If due to the weather or emergency, the office closes at 3:00 p.m., anyone on leave will be charged a full day.

Personnel Records and Administration

The task of handling personnel records and related personnel administration functions at Holtec International has been assigned to the Personnel Department. Questions regarding insurance, wages, and interpretation of policies may be directed to the CFO.

Keeping your personnel file up-to-date can be important to you with regard to pay, deductions, benefits and other matters. If you have a change in any of the items listed below, please be sure to notify the Personnel Department as soon as possible.

1. Legal name
2. Home address
3. Home telephone number
4. Person to call in case of emergency
5. Number of dependents
6. Marital status
7. Change of beneficiary
8. Driving record or status of driver's license, if you operate any Holtec International vehicles
9. Military or draft status
10. Exemptions on your W-4 tax form
11. Training Certificates
12. Professional License

Upon experiencing a family status change, please notify the Personnel Department within 30 days for benefit modifications, if necessary.

You may see information that is kept in your own personnel file if you wish, and you may request and receive copies of all documents you have signed. Please make arrangements with the CFO.

Your Medical Records File

All medical records, if any, will be kept in a separate confidential file. Holtec International maintains this information in the strictest confidence and may not use or disclose medical information about an employee without the employee first having signed an authorization form permitting such use or disclosure.

Compensation

Time Records

By law, we are obligated to keep accurate records of the time worked by employees. This is done by time sheets maintained electronically on our network.

You are responsible for accurately recording your time. No one may record hours worked on another's timecard or timesheet. Tampering with another's time record will not be tolerated. In the event of an error in recording your time, please report the matter to your manager immediately. An employee will not be paid unless his/her timesheet is current.

Performance and Compensation Reviews

Performance Reviews

Because we want you to grow and succeed in your job, Holtec International generally conducts a formal review one (1) time per year for each employee. New employees may be reviewed near the end of their Introductory Period. A review may also be conducted in the event of a promotion or change in duties and responsibilities.

During a formal performance review your manager may cover the following areas:

- The quality and quantity of your work.
- Strengths and areas for improvement.
- Attitude and willingness to work.
- Initiative and teamwork.
- Attendance.
- Customer service orientation.
- Problem solving skills.
- Ongoing professional growth and development.

Additional areas may also be reviewed as they relate to your specific job.

Your review provides a golden opportunity for collaborative, two-way communication between you and your manager. This is a good time to discuss your interests and future goals. Your manager is interested in helping you to progress and grow in order to achieve personal as well as work-related goals - perhaps he/she can recommend further training or additional opportunities for you. The performance review gives your manager an opportunity to suggest ways for you to advance and make your job at Holtec International more fulfilling.

Your manager can answer any questions you may have about the performance review process.

Compensation Reviews

Holtec International's compensation reviews are usually given with performance reviews. Any applicable compensation adjustment will appear in the pay period ending after the date granted. Compensation adjustments may be retroactive in the case of late reviews.

In addition to individual job performance reviews, Holtec International periodically conducts a review of job descriptions to insure that we are fully aware of any changes in the duties and responsibilities of each position, and that such changes are recognized and adequately compensated.

Other Compensation Programs and Policies

Employee Referral Program

Open positions usually will be posted near employee gathering places such as bulletin board and the internal computer network system. You are encouraged to recommend and refer qualified candidates for employment with Holtec International. If you know of someone who would like to work here, we will be glad to consider them for employment. You can get an Employee Referral Form from your manager.

Should your candidate be hired by Holtec International for a full-time regular position, and if that person satisfactorily completes the Introductory Period, you will receive a \$350 bonus for the referral. This bonus entitlement does not apply to individuals who are normally responsible for recruiting and hiring functions.

Promotion and Transfer Policy

Holtec International has a policy of providing our employees with every opportunity for advancing to other positions within the company. Approval of promotions or transfers depends largely upon training, experience, and work record. However, Holtec International will continue to look outside the company for potential employees as well.

It is our policy to advise all employees about advancement opportunities. Please submit your request for consideration for a specific position directly to your manager. You are encouraged to discuss any contemplated transfer with your current supervisor.

Benefits

Eligibility for Benefits

If you are a full-time employee, you will enjoy all of the benefits described in this Employee Manual as soon as you meet the eligibility requirements for each particular benefit. Coverages are available to you and your dependents as defined in the benefit summary plan descriptions. **The employee must meet all the requirements of the provider before a benefit can accrue. No other enumeration is available, for the benefit, if the providers' requirements are not met.**

If you are a part-time employee, you will enjoy only those benefits specifically required by law, provided that you meet the minimum requirements set forth by law and in the benefit plan(s).

Temporary employees are not eligible for benefits.

No benefits are available to you during your Introductory Period, except as otherwise provided by law.

Insurance Coverage

Group Insurance

Holtec International is dedicated to the health and well being of both you and your family. A comprehensive, quality insurance program is available to you and your family. You become eligible for coverage sixty (60) days after the 1st of the month following your date of hire.

The following benefits are provided, as defined and limited in the literature provided by our insurance company:

Coverage	Cost to Employee
Medical Care Coverage	Single Person: 2% of salary before taxes* Husband & Wife: 3% of salary before taxes* Family: 4% of salary before taxes*
Dental Care Coverage	Included in Medical Care Coverage
Long Term Disability Insurance	Paid by Employee
Group and Term Life Insurance	No cost to Employee

Upon enrolling, you will obtain summary plan descriptions describing your benefits in detail.

Holtec International will pay the majority of costs for these insurance programs, but there maybe some costs for the employee on some of the programs.

Applicable employee contributions will be automatically deducted from your paycheck.

* Health insurance cost is levied only up to the current Social Security salary limit.

According to the federal Consolidated Omnibus Budget Reconciliated Act (COBRA) of 1985, in the event of your termination of employment with Holtec International or loss of eligibility to remain covered under our group health insurance program, you and your eligible dependents may have the right to continued coverage under our health insurance program for a limited period of time at your own expense. Consult the Personnel Department for further information if required.

Health and Dental Insurance

Today's many health insurance plans and options can be confusing and complicated. That is why Holtec International has taken the time to carefully review the coverage's and plans available. We have selected the plans we feel provide the best coverage for our employees. Refer to the literature provided by our insurance companies for details on your health / dental coverage.

Disability Insurance

If you are a full-time, regular employee, you will be eligible to participate in Holtec International's disability plan. Disability insurance is designed to assist you with your income should you become partially or totally disabled and are unable to perform the essential functions of your job.

Refer to your Summary Plan Description for further details regarding your disability insurance. You may obtain the Summary Plan Description from the Personnel Department.

Note: Please see the Disability (Including Pregnancy) Leave of Absence Policy in the section titled "Leaves" of this Employee Manual for further information.

Life Insurance

If you are a regular full-time employee of Holtec International, and are deemed insurable by the insurance company, you are covered by term Life Insurance. This insurance is payable in the event of your death, in accordance with the policy, while you are insured. You may change your beneficiary whenever you wish by submitting the appropriate documents to the Personnel Department. Refer to the literature provided by our insurance company for details on your life insurance coverage. Life insurance premiums will continue to be paid by the company during disability periods as long as the life insurance plan is in effect.

Workers' Compensation

All employees are entitled to Workers' Compensation benefits. This coverage is automatic and immediate and protects you from an on-the-job injury. An on-the-job injury is defined as an accidental injury suffered in the course of your work, or an illness that is directly related to performing your assigned job duties. This job-injury insurance is paid for by Holtec International. If you cannot work due to a job-related injury or illness, Workers' Compensation insurance pays your medical bills and provides a portion of your income until you can return to work.

All injuries or illnesses arising out of the scope of your employment must be reported to your manager and the Personnel Department immediately. Prompt reporting is the key to prompt benefits. Benefits are automatic, but nothing can happen until your employer knows about the injury. Insure your right to benefits by reporting every injury, no matter how slight.

Employees returning to work after being absent due to a work-related injury must report to their manager prior to beginning work and must bring a doctor's clearance for returning to work.

Retirement Plan (401K Plan)

Holtec International has a Retirement Plan to provide eligible employees (those who have completed sufficient service) with benefits upon retirement.

Details regarding Holtec International's 401K Plan (contributions, vesting, administration, and investments) are provided in the Summary Plan Description.

Education Assistance

We feel an individual who possesses a desire to continue their education, in addition to performing their full-time job, shows a commitment to improving themselves and their position within the company. To encourage and reward these individuals, Holtec International offers an Education Assistance benefit.

Full-time employees may continue their education in a related field and Holtec International may reimburse all or part of the registration and tuition costs up to a maximum of \$5,000 per year. All courses must be pre-approved by your supervisor and the CEO. Once the course is completed, submit a certified transcript of grades with receipts for expenses. Holtec International will reimburse you as described below for the portion of the fees that were pre-approved. This may include fees for registration, tuition, books, and additional lab fees. Incentives have been established to reward better than average performance.

Reminder: If you are taking a pre-approved seminar that offers continuing education credit, be sure to give your manager a copy of the Continuing Education Credit Certificate (or other document) to include in your personnel file.

In order to qualify for this Education Assistance benefit you must:

1. Advise your manager, prior to enrolling for the class, that you intend to take a particular course. Your manager will let you know if the course qualifies for the Education Assistance Program. The manager must receive written final approval from the CEO or CFO prior to enrollment.
2. The course must be job-oriented and offered by an approved educational institution.
3. The amount of course reimbursement is based on the final grade you receive for the course, as follows:

A or B = 100%

OTHER = 0%

4. You must have at least one (1) year of full-time service with Holtec International prior to enrolling in the course.
5. If you are eligible to receive educational benefits from other alternate sources, Holtec International may not reimburse your educational expenses.

In addition to educational assistance for formal education, Holtec International may arrange training programs that enable you to progress in your technical knowledge of our business. If you become aware of a particular seminar that you believe is appropriate for enhancing your skills (and/or those of other employees), please bring it to the attention of your manager. Since these seminars are usually offered only at specified times within a geographical area, please be sure to notify your manager as far in advance as possible. This way, she/he can attempt to schedule workloads to accommodate your (and/or other employees') desire to attend the seminar. Keep in mind your department's budget restrictions may have an impact on obtaining approval.

If you voluntarily leave Holtec within twelve (12) months of receiving education assistance, the assistance must be repaid.

Long-Term Benefit

The company is presently privately owned. At an appropriate time within the next ten years, the company plans to offer its stock ownership to the general public. As a prelude of the conversion to public ownership, the company plans to reward its most meritorious and long-term employees in the form of readily cashable company stock. The amount of distribution is expected to be in the range of \$1.5 to \$2.5 million, divided among the personnel with a proven history of contribution to and loyalty for the company. The personnel eligible for this distribution will be selected the company's executive management aided by the periodic (usually annual) peer review inputs from the employee's co-workers and, for some employees, by the history of client inputs provided on their performance.

Only employees on the company's payroll at the time of the public offering will be eligible for consideration for this benefit.

Leaves

Vacations

It is the policy of Holtec International to grant annual vacations with pay to full-time employees in accordance with the guidelines established below.

(1) The established vacation year is the calendar year, January 1 through December 31 each year. Vacations are accrued or earned based on the employee's length of service and on the time worked during the preceding calendar year.

(2) Full-time employees will accrue paid vacation according to the following schedule (annual totals will be rounded to the nearest whole day):

<u>Service Period</u>	<u>Paid Vacation</u>
First Calendar Year	5/12 Days per Month Worked
Calendar Years 2 through 4	10/12 Days per Month Worked
Calendar Years 5 through 7	13/12 Days per Month Worked
Calendar Years 8 through 9	14/12 Days per Month Worked
10 Calendar Years & Over	15/12 Days per Month Worked

(3) New employees accrue paid vacation during their first calendar year. However, they may not take paid vacation until after six months of employment. New employees with (15) years experience or more in their field may be given credit an accrue at the (10) year rate.

(4) Vacation pay for full-time employees will consist of the employee's regular rate of pay for the vacation period and generally will be paid on the regularly scheduled payday. Employees who want to receive vacation pay before their vacation must submit written request to the Accounting Department at least ten business days before the vacation is scheduled to begin.

(5) Vacation must be pre-approved by the employees supervisor and the APPROVED form submitted to the Accounting Department. Vacations of over three consecutive days must be pre-approved at least five business days before the vacation starts.

(6) Employees may accumulate vacation from year to year but may carry-over no more than 30 days to the next year.

(7) Employees who feel that there is a discrepancy in the calculation of their vacation pay or eligibility may request a review of that calculation by the Personnel Department.

Holidays

It is the policy of Holtec International to designate and observe certain days each year as holidays. Eligible employees will be given a day off with pay for each holiday observed.

(1) The schedule of holidays that Holtec will observe during each calendar year are:

New Years Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day & the day after
Christmas Day
Two Floating Holidays

(2) To receive holiday pay, an eligible employee must be at work or taking an approved absence on the work days immediately preceding and immediately following the day on which the holiday is observed. An approved absence is a day of paid vacation or paid short-term absence. If an employee is absent on one or both of these days because of illness or injury, Holtec reserves the right to verify the reason for absence before approving holiday pay.

(3) A holiday that occurs on a Saturday or Sunday generally will be observed on either the preceding Friday or following Monday.

(4) Holtec recognizes that some employees may wish to observe, as periods of worship or commemoration, certain days that are not included in the regular holiday schedule. Accordingly, two floating holidays are granted to employees each year. Floating holidays must be taken during the calendar year granted and not carried over to the following year. If an employee leaves Holtec there is no credit given for unused floating holidays.

(5) A new employee accrues one floating holiday after three full months of service and the second floating holiday after six full months of service during the first calendar year of employment.

**A calendar year is January 1 to December 31.

Sick Leave

Holtec International recognizes that the inability to work because of illness or injury may cause economic hardship. For this reason, Holtec International provides paid sick days to full-time regular employees that have completed their probationary period. Time away from work during probationary period will be unpaid.

Eligible employees accrue sick days at the rate of two hours per month to a maximum of three days during a calendar year.

Sick days may not be carried over from one calendar year to the next. Sick days accrue on a yearly basis beginning January 1st and ending December 31st.

Other Paid Leaves

Funeral (Bereavement) Leave

Up to three (3) working days of leave with pay (not charged to other leave time) shall be granted to regular, full-time employees upon request to make arrangements for and attend funeral services of the employee's spouse, child, parent, parent-in-law, grandparent, grandparent-in-law, granddaughter, grandson, daughter-in-law, son-in-law, step-parent, domestic partner, brother, sister, brother-in-law, sister-in-law, daughter or son of the employee's spouse or domestic partner, and any relative living in the household of the employee or domestic partner.

With your manager's approval, you may take up to one full day without pay to attend funerals of other relatives and friends. If you prefer, unused personal leave or a day of accrued vacation may be used for this purpose.

Funeral leave pay will only be made to employees for actual time spent away from work for the funeral or its arrangements. For example, if the death occurs at a time when work is not scheduled, payment will not be made. If a holiday or part of your vacation occurs on any of the days of absence, you may not receive holiday or vacation pay in addition to paid funeral leave.

Jury Duty

It is your civic duty as a citizen to report for jury duty whenever called. If you are called for jury duty, you must notify your manager within forty-eight (48) hours of receipt of the jury summons.

Holtec International will permit you to take the necessary time off and we wish to help you avoid any financial loss because of such service. Holtec International will reimburse you for the difference between your jury pay and your regular pay, not to exceed eight (8) hours per day, for a maximum of seven (7) business days.

On any day or half-day you are not required to serve, you will be expected to return to work. In order to receive jury duty pay, you must present a statement of jury service and pay to the personnel department. This document is issued by the court.

**FORM FOR REQUESTING AND REPORTING
VACATION LEAVE, FLOATING HOLIDAYS OR ILLNESS**

EMPLOYEE: _____

VACATION LEAVE:

Dates: _____

FLOATING HOLIDAYS:

Dates: _____

ILLNESS:

Dates: _____

=====

Employee's Signature

Supervisor's Approval

Form should be given to Personnel before the Vacation Leave or Floating Holiday and after an illness.

(9/30/98)

Unpaid Leaves

In accordance with both federal and New Jersey law, the Company offers up to 12 weeks of unpaid family leave within a 12-month period, when notification of intent to take leave is provided by eligible employees as a result of the birth, adoption, of foster placement of a child or in order to provide care for the serious health condition of a child, spouse, or parent. Medical benefits will be continued during periods of valid family leave.

- a. Eligibility: Family and medical leave is available to Company employees who:
 - i. Have been employed for at least 12 months; and
 - ii. Have provided at least 1,000 hours of service to the Company during the 12-month period that precedes the leave
- b. Eligible employees are entitled to twelve (12) weeks of unpaid family and medical leave during my twelve (12) month period for the following reasons:
 - i. The birth of the employee's child and in order to care for the child;
 - ii. the placement of a child with the employee for adoption or foster care;
 - iii. to care for a spouse, child or parent of the employee who has a serious health condition; or
 - iv. a serious health condition that renders the employee incapable of performing their job functions.
- c. Any employee intending to take a family and medical leave that is foreseeable, must contact the personnel department. a thirty (30) day advanced written notice is required for all foreseeable situations. If 30-day notice cannot be given, notice as soon as practicable is required. The employee also must notify the Company in a timely manner as to when that employee anticipates returning to work.
- d. Any leave requested based on a family member's or the employee's own serious health condition must be supported by certification of a health care provider. The employee must provide a copy of the certification to the Company in a timely manner.
- e. Upon return from leave, most employees must be restored to their original or equivalent positions with equivalent pay, benefits, and other employment terms.
- f. The use of such leave cannot result in the loss of any employment benefit that accrued prior to the start of any employee's leave.
- g. The above description is only a summary. Additional information regarding family and medical leave can be obtained by any employee from the personnel department.

Disability (Including Pregnancy) Leave of Absence

Holtec International may grant an unpaid leave of absence for illness, disability or pregnancy. To request a disability leave of absence from your manager, you should submit, or have someone submit for you, a statement of ill health or disability from your doctor. (Pregnancy is treated, for the purposes of this policy, the same as an illness or disability.) An approved disability leave may be granted for up ninety (90) days. If necessary, you may request extensions in thirty (30) day increments for a maximum of one (1) year. Whenever possible, you are required to give as much notice as possible of your pending need for a disability leave of absence.

In the case of pregnancy, please inform your manager as soon as possible of the date you and your doctor anticipate that you will begin your leave. Your job status will be protected in that we will make every effort to hold your position open, or return you to a similar position if one is available, for which you may be qualified.

At the time the disability leave begins, any accrued sick leave will be used. Vacation time previously accrued (but not used) at that time will also be paid if the employee so desires. These benefits do not continue to accrue during a leave of more than thirty (30) days. This policy applies to all employees. Your group insurance booklet should be reviewed to determine your insurance coverage during a leave of absence.

Employees who must remain away from work for more than the period of time allowed above will be considered terminated from employment. They are welcome to re-apply subject to Holtec International's usual hiring policies.

Employees who develop an illness or physical condition which requires medical treatment or restrictions and precautions will be required to submit a physician's statement. This statement must give approval that continued full-time employment in his/her present position will not jeopardize his/her health or the safety of others, in the event she/he continues to work. A similar statement is required upon return from a disability leave.

Should your attendance or job performance suffer during the period preceding and/or following a disability leave, we will accommodate you to the extent provided by law.

Military Leave of Absence

If you are a full-time employee and are inducted into the U.S. Armed Forces, you will be eligible for re-employment with no loss in previously accrued benefits after completing military service, provided:

1. You show your orders to your manager as soon as you receive them.
2. You satisfactorily complete your active duty service.
3. You enter the military service directly from your employment with Holtec International.

4. You apply for and are available for re-employment within ninety (90) days after discharge from active duty. If you are returning from up to six (6) months of active duty for training, you must apply within thirty (30) days after discharge.

Military Reserves or National Guard Leave of Absence

Employees who serve in U. S. military organizations or state militia groups may take the necessary time off without pay to fulfill this obligation, and will retain all of their legal rights for continued employment under existing laws. These employees may apply accrued personal leave and unused earned vacation time to the leave if they wish, however, they are not obliged to do so.

You are expected to notify your manager as soon as you are aware of the dates you will be on duty so that arrangements can be made for replacement during this absence.

Personal Leave of Absence

In special circumstances, Holtec International may grant a leave for a personal reason, but never for taking employment elsewhere or going into business for yourself. You should request an unpaid personal leave of absence from your manager. A personal leave of absence must not interfere with the operations of your department or Holtec International. Your manager will submit your request to the appropriate member of management for final approval.

A personal leave of absence may be granted for up to thirty (30) days. If your leave is extended for more than thirty (30) days, vacation and other benefits will no longer continue to accrue. Consult your group insurance booklet to determine your insurance coverage during a leave of absence. Failure to return from a leave at the time agreed will result in termination of employment.

Accepting Other Employment or Going Into Business While on Leave of Absence

If you accept any employment or go into business while on a leave of absence from Holtec International, you will be considered to have voluntarily resigned from employment with Holtec International as of the day on which you began your leave of absence.

Insurance Premium Payment During Leaves of Absence

Holtec International will continue to pay its share of insurance premiums for employee coverage and dependent coverage for a maximum of four (4) months while you are on a disability leave of absence. While you are on any other type of unpaid leave of absence from Holtec International, you will be responsible for paying the total premiums for your coverage and that of your dependents. Failure to do so may result in loss of coverage and possible refusal by the insurance carrier to allow your coverage to be reinstated. Please consult with the personnel department to set up a payment schedule.

Safety

General Employee Safety

Holtec International is committed to the safety and health of all employees and recognizes the need to comply with regulations governing injury and accident prevention and employee safety. Maintaining a safe work environment, however, requires the continuous cooperation of all employees.

Holtec International will maintain safety and health practices consistent with the needs of our industry. If you are ever in doubt about how to safely perform a job, it is your responsibility to ask your manager for assistance. Any suspected unsafe conditions and all injuries that occur on the job must be reported immediately. Compliance with these safety rules is considered a condition of employment. Therefore, it is a requirement that each manager make the safety of employees an integral part of her/his regular management functions. It is the responsibility of each employee to accept and follow established safety regulations and procedures.

Holtec International strongly encourages you to communicate with your manager (designated company representative) regarding safety issues.

Reporting Safety Issues

All accidents, injuries, potential safety hazards, safety suggestions and health and safety related issues must be reported immediately to your manager. If you or another employee is injured, you should contact outside emergency response agencies, if needed. The Employee's Claim for Worker's Compensation Benefits Form (copy attached) must be completed in all cases in which an injury requiring medical attention has occurred.

Federal law (Occupational Safety and Health Administration) requires that we keep records of all illnesses and accidents that occur during the workday. The New Jersey State Workers' Compensation Act also requires that you report any workplace illness or injury, no matter how slight. If you fail to report an injury, you may jeopardize your right to collect workers' compensation payments as well as health benefits. OSHA also provides for your right to know about any health hazards that might be present on the job. Should you have any questions or concerns, contact the personnel department for more information.

Security Checks

Holtec International may exercise its right to inspect all packages and parcels entering and leaving our premises.

Parking Lot

You are encouraged to use the parking areas designated for our employees. Please keep in mind that the parking spaces adjacent to or in front of our building are for customers and visitors only. Remember to lock your car every day and park within the specified areas.

Courtesy and common sense in parking will help eliminate accidents, personal injuries, damage to your vehicle and to the vehicles of other employees. If you should damage another car while parking or leaving, immediately report the incident, along with the license numbers of both vehicles and any other pertinent information you may have, to the personnel department.

Holtec International cannot be and is not responsible for any loss, theft or damage to your vehicle or any of its contents.

Safety Rules

Safety is everybody's business. Safety is to be given primary importance in every aspect of planning and performing all Holtec International activities. We want to protect you against industrial injury and illness, as well as minimize the potential loss of production.

Below are some general safety rules to assist you in making safety a regular part of your work.

Working Safely

Safety is everyone's responsibility. Remind your co-workers about safe work methods. Start work on any machine only after safety procedures and requirements have been explained. Immediately report any suspected hazards and all accidents to the personnel department.

Weapons

Holtec International believes it is important to establish a clear policy that addresses weapons in the workplace. Specifically, Holtec International prohibits all persons who enter company property from carrying a handgun, firearm, knife, or other prohibited weapon of any kind regardless of whether the person is licensed to carry the weapon or not.

The only exception to this policy will be police officers, security guards or other persons who have been given written consent by Holtec International to carry a weapon on the property.

Fire Prevention

Know the location of the fire extinguisher(s) in your area and make sure they are kept clear at all times. Notify the personnel department if an extinguisher is used or if the seal is broken. Keep in mind that extinguishers that are rated ABC can be used for paper, wood, or electrical fires. Make sure all flammable liquids, such as alcohol, are stored in approved and appropriately labeled safety cans and are not exposed to any ignition source.

In Case of Fire

If you are aware of a fire, you should:

- Dial 911 or the local fire department.
- If the fire is small and contained, locate the nearest fire extinguisher. This should only be attempted by employees who are knowledgeable in the correct use of fire extinguishers.
- If the fire is out of control, leave the area immediately. No attempt should be made to fight the fire.

When the fire department arrives, direct the crew to the fire. Do not re-enter the building until directed to do so by the fire department.

Emergency Evacuation

If you are advised to evacuate the building, you should:

- Stop all work immediately.
- Contact outside emergency response agencies, if needed.
- Shut off all electrical equipment and machines, if possible.
- Walk to the nearest exit, including emergency exit doors.
- Exit quickly, but do not run. Do not stop for personal belongings.
- Proceed, in an orderly fashion, to a parking lot near the building. Be present and accounted for during roll call.

Do not re-enter the building until instructed to do so.

Housekeeping

Neatness and good housekeeping are signs of efficiency. You are expected to keep your work area neat and orderly at all times - it is a required safety precaution.

If you spill a liquid, clean it up immediately. Do not leave books, materials, or other objects on the floor that may cause others to trip or fall. Keep aisles, stairways, exits, electrical panels, fire extinguishers, and doorways clear at all times.

Easily accessible trash receptacles and recycling containers are located throughout the building. Please put all litter and recyclable materials in the appropriate receptacles and containers. Always be aware of good health and safety standards, including fire and loss prevention.

Please report anything that needs repairing or replacing to your manager immediately.

Office Safety

Office areas present their own safety hazards. Please be sure to:

- Leave desk, file or cabinet drawers firmly closed when not in use.
- Open only a single drawer of a file cabinet at a time.
- Arrange office space to avoid tripping hazards, such as telephone cords or calculator electrical cords.
- Remember to lift things carefully and to use proper lifting techniques.

We will continue to provide a clean, safe and healthy place to work and we will provide the best equipment possible. You are expected to work safely, to observe all safety rules and to keep the premises clean and neat. Remember that carelessly endangering yourself or others may lead to disciplinary action, including possible termination.

Security

Maintaining the security of Holtec International buildings and vehicles is every employee's responsibility. Develop habits that insure security as a matter of course. For example:

- Know the location of all alarms and fire extinguishers, and familiarize yourself with the proper procedure for using them, should the need arise.
- When you leave Holtec International's premises make sure that all entrances are properly locked and secured and the alarm set.

Smoking

Smoke only in designated smoking areas. Please be courteous and concerned about the needs of your fellow employees and others. Please do not smoke in restricted areas.

Smoking is not permitted in the building. Receptacles are provided at building entrances for disposal.

Please remember to conform to our customer's smoking policies when working at a customer's site.

All employees are expected to abide by this policy while at work.

Exit Interviews

In the event that you separate from your employment, Holtec International management would like to conduct an exit interview to discuss your reasons for leaving and any other impressions that you may have about Holtec International. During the exit interview, you can provide insights into areas for improvement that Holtec International can make. Every attempt will be made to keep all information confidential.

Return of Company Property

Any Holtec International property issued to you, such as product samples, computer equipment, keys, parking passes or company credit card must be returned to Holtec International at the time of your termination. You will be responsible for any lost or damaged items. The value of any property issued and not returned may be deducted from your paycheck, and you may be required to sign a wage deduction authorization form for this purpose.

Peer Reviews

The company conducts a survey of each employee's professional profile by soliciting the opinion of the employee's peers and his/her supervisor. The form shown on the next page is representative of the questions asked of the potential respondents.

CONFIDENTIAL PEER REVIEW OF HOLTEC PERSONNEL

Please rate your colleagues under the five categories (only those you interact with sufficiently to have a well-formed opinion

Only rate those personnel whom you work with or of whom you have sufficient knowledge to provide input, i.e., if you don't know the individual, don't assign ratings.

Give a rating between 1 to 5: 1 is poor, 2 is below average, 3 is average, 4 is good, 5 is excellent. This form should be filled out anonymously; management does not need to know the rater's identity. (This form will be seen only by Dr. Singh and Dr. Soler.

[illegible]

Executives Effectiveness Assessment

The form shown below is periodically used by the company to solicit employees' input on the performance of the company's executive management.

ADMINISTRATIVE MEMORANDUM AM-36
CONFIDENTIAL REVIEW OF HOLTEC EXECUTIVE PERSONNEL

Please rate those Holtec executives, with whom you are well enough familiar to provide constructive input, for the categories listed below and using the following numerical ratings.

1. Poor 2. Below Average 3. Average 4. Good 5. Excellent

This form should be filled out anonymously; management does not need to know the rater's identity. Return the form via e-mail to Nancy Moreland by December 20, 2002. When all forms have been returned, a summary of the results will be made available to each company executive for self-improvement purposes. The object of your comments will not know your identity. Return by email to Nancy Moreland.

[illegible]

WORKPLACE POLICIES

This Employee Manual is designed to answer many of your questions about the practices and policies of Holtec International. Feel free to consult with your supervisor for help concerning anything you don't understand.

Bonding Requirement

If your employment with Holtec International requires you to handle other people's property. Holtec International may require that you be bonded. It is your responsibility to assure that you are bondable. Holtec International will pay the cost of bonding.

Communications

Successful working conditions and relationships depend upon successful communication. Not only do you need to stay aware of changes in procedures, policies and general information, you also need to communicate your ideas, suggestions, personal goals or problems as they affect your work.

In addition to the exchanges of information and expressions of ideas and attitudes which occur daily, make certain you are aware of and utilize all Holtec International methods of communication, including this Employee Manual, bulletin boards, discussions with your manager, memoranda, staff meetings, newsletters, training sessions, and company e-mail and intranet.

You will receive other information booklets, such as your insurance booklets, from time to time. You may take these booklets home so that your family may know more about your job and your benefits.

In addition, you may receive letters from Holtec International. There is no regular schedule for distribution of this information. The function of each letter is to provide you and your family with interesting news and helpful information that will keep you up-to-date on the events here at Holtec International.

Computer Software (Unauthorized Copying)

Holtec International does not condone the illegal duplication of software. The copyright holder is given certain exclusive rights, including the right to make and distribute copies.

The law protects the exclusive rights of the copyright holder and does not give users the right to copy software unless a backup copy is not provided by the manufacturer.

1. Holtec International licenses the use of computer software from a variety of outside companies. Holtec International does not own this software or its related documentation and, unless authorized by the software manufacturer, does not have the right to reproduce it.

2. With regard to use on local area networks or on multiple machines, Holtec International employees shall use the software only in accordance with the software publisher's license agreement.
3. Holtec International employees learning of any misuse of software or related documentation within the company must notify their manager.

Computers, Electronic Mail, and Voice Mail Usage Policy

Holtec International makes every effort to provide the best available technology to those performing services for Holtec International. In this regard, Holtec International has installed, at substantial expense, equipment such as computers, electronic mail, and voice mail. This policy is to advise those who use our business equipment on the subject of access to and disclosure of computer-stored information, voice mail messages and electronic mail messages created, sent or received by Holtec International's employees with the use of Holtec International's equipment.

This policy also sets forth policies on the proper use of the computer, voice mail, and electronic mail systems provided by Holtec International.

Holtec International property, including computers, electronic mail and voice mail, should only be used for conducting company business.

Incidental and occasional personal use of company computers and our voice mail and electronic mail systems is permitted, but information and messages stored in these systems will be treated no differently from other business-related information and messages, as described below.

The use of the electronic mail system may not be used to solicit for commercial ventures, religious or political causes, outside organizations, or other non-job related solicitations. Furthermore, the electronic mail system is not to be used to create any offensive or disruptive messages. Among those which are considered offensive, are any messages which contain sexual implications, racial slurs, gender-specific comments, or any other comments that offensively address someone's age, sexual orientation, religious or political beliefs, national origin, disability, or other protected classifications. In addition, the electronic mail system shall not be used to send (upload) or receive (download) copyrighted materials, trade secrets, proprietary financial information, or similar materials without prior authorization.

Although Holtec International provides certain codes to restrict access to computers, voice mail and electronic mail to protect these systems against external parties or entities obtaining unauthorized access, employees should understand that these systems are intended for business use, and all computer information, voice mail and electronic mail messages are to be considered as company records.

Holtec International also needs to be able to respond to proper requests resulting from legal proceedings that call for electronically stored evidence. Therefore, Holtec International must, and does, maintain the right and the ability to enter into any of these systems and to inspect and review any and all data recorded in those systems. Because Holtec International reserves the right

to obtain access to all voice mail and electronic mail messages left on or transmitted over these systems, employees should not assume that such messages are private and confidential or that Holtec International or its designated representatives will not have a need to access and review this information. Individuals using Holtec International's business equipment should also have no expectation that any information stored on their computer - whether the information is contained on a computer hard drive, computer disks or in any other manner - will be private.

Holtec International has the right to, but does not regularly monitor voice mail or electronic mail messages. Holtec International will, however, inspect the contents of computers, voice mail or electronic mail in the course of an investigation triggered by indications of unacceptable behavior or as necessary to locate needed information that is not more readily available by some other less intrusive means.

The contents of computers, voice mail, and electronic mail, properly obtained for some legitimate business purpose, may be disclosed by Holtec International if necessary within or outside of Holtec International.

Given Holtec International's right to retrieve and read any electronic mail messages, such messages should be treated as confidential by other employees and accessed only by the intended recipient.

Holtec International will review any request for access to the contents of an individual's computer, voice mail, or electronic mail prior to access being made without the individual's consent.

Dress Code and Personal Appearance

Please understand that you are expected to dress and groom yourself in accordance with accepted social and business standards, particularly if your job involves dealing with customers or visitors in person.

A neat, tasteful appearance contributes to the positive impression you make on our customers. You are expected to be suitably attired and groomed during working hours or when representing Holtec International. A good, clean appearance bolsters your own poise and self-confidence and greatly enhances our company image. When working at a customer's site, please dress appropriately according to their corporate culture.

Personal appearance should be a matter of concern for each employee. If your manager feels your attire and/or grooming is out of place, you may be asked to leave your workplace until you are properly attired and/or groomed.

Drug-Free Workplace Policy

The Company believes that abuse of drugs, other controlled substances and alcohol in the workplace is inconsistent with the maintenance of a safe, efficient and productive work environment. Employees who abuse drugs, other controlled substances and alcohol pose a danger not only to themselves, but to others. Accordingly, it is the policy of the Company to maintain a workplace that is free from drugs, other controlled substances and alcohol, and their effects.

In the past, the Company has had an unwritten policy against the use, sale, transfer or possession of drugs, other controlled substances and/or alcohol by employees while on the job or on the Company's premises. Employees under the influence of such substances while on the job or on the Company's premises have been subject to immediate dismissal.

In order to formalize its existing policy, and consistent with its commitment to maintaining a drug-free workplace, the Company has implemented a written Drug-Free Workplace Policy that is oriented toward maintaining a drug-free workplace and is applicable to all of its operations.

1. Employees are prohibited from the use, sale, distribution, possession, transfer or manufacture of illegal drugs and narcotics and/or alcoholic beverages on the Company premises and work sites, or in any Company work environment. "Work environment" includes but is not limited to, situations where an employee is working off the Company's premises, including working at a customer's or vendor's place of business or participating in a meeting. Alcoholic beverages may only be allowed or consumed on the Company's premises with the permission of the Company and in connection with a Company-authorized event.
2. Employees are prohibited from the use or possession of a prescription drug or narcotic, without a valid prescription, on the company premises and work sites, or any Company work environment.
3. All employees are prohibited from reporting to work, returning to work or being at work under the influence of, or impaired by, drugs, controlled substances and/or alcohol.
4. An employee who is in possession of a controlled substance under a valid prescription will not be in violation of the Company's policy. Nevertheless, many prescription drugs cause drowsiness and other side effects which would render an employee unable to perform his or her work safely. All employees who are legally using prescribed drugs or narcotics during work, and have any reason to expect that such use may affect their ability to perform their work, must report this fact to the personnel department. A determination then will be made as to whether the employee is able to properly and safely perform the essential functions of the job. The Company will keep the information concerning such prescriptions and related information confidential.
5. All employees who are convicted of an unlawful act involving drugs on or off the Company premises will be subject to discipline, including termination.

5. All employees who are convicted of an unlawful act involving drugs on or off the Company premises will be subject to discipline, including termination.
6. When dealing with substance abuse issues, the Company will comply with all applicable state and federal laws.

All employees are expected to familiarize themselves with the Company's Drug-Free Workplace Policy, and to abide by it all times as a condition of their continued employment. The Company will deal with violations of its policy by imposing discipline on offending employees (up to termination of employment), or by other means which the Company believes will further its goal of maintaining a drug-free workplace.

Expense Reimbursement

To be reimbursed for all authorized expenses, you must submit an expense report or voucher accompanied by receipts and it must be approved by your manager. Please submit your expense report or voucher each week, as you incur authorized reimbursable expenses. In order for Holtec International to keep records and accounting accurate and current, expense reports or vouchers older than one (1) month old may not be honored.

Also, see **Holtec's Purchase Order** and **Travel Policies**, which are separate documents from this manual.

Gifts

Employees are not permitted to give unauthorized gifts to customers or suppliers, except for certain promotional "premiums" (such as tee-shirts, coffee mugs, pens or key chains) imprinted with the Holtec International logo or sales information.

Employees will accept no gifts, gratuities, or emoluments of any kind from any vendor of the Company or any competitor of the Company. An unsolicited gift of gross value less than \$50.00 from any vendor is acceptable, but it must be reported in writing to the personnel officer.

Personal Use of Company Property

In some instances, employees may be allowed to borrow certain Holtec International tools or equipment for their own personal use while on our premises. In no instance may this be done off our premises, or without prior management approval. You understand and agree that Holtec International is not liable for personal injury incurred during the use of company property for personal projects. As a Holtec International employee, you accept full responsibility for any and all liabilities for injuries or losses which occur, or for the malfunction of equipment. You are responsible for returning the equipment or tools in good condition, and for personal projects you agree that you are required to pay for any damages that occur while using the equipment or tools for personal projects.

Solicitations and Distributions

Solicitation for any cause during working time and in working areas is not permitted. You are not permitted to distribute non-company literature in work areas at any time during working time. Working time is defined as the time assigned for the performance of your job and does not apply to break periods and meal times. Employees are not permitted to sell chances, merchandise or otherwise solicit or distribute literature without management approval.

Persons not employed by Holtec International are prohibited from soliciting or distributing literature on company property or from being on Holtec International property.

Violence in the Workplace Policy

Holtec International has adopted a policy prohibiting workplace violence. Consistent with this policy, acts or threats of physical violence, including intimidation, harassment, and/or coercion, which involve or affect Holtec International or which occur on Holtec International property will not be tolerated.

Every employee is encouraged to report incidents of threats or acts of physical violence of which he/she is aware. The report should be made to the personnel department.